

The Wisconsin Bioenergy Grant Program:

Linking Fuels Reduction and Wood Energy – A Wisconsin Demonstration Project

2011-2012 Grant Application



In cooperation with:



Issue Date: December 8, 2010

Application Due Date: January 31, 2011

Introduction

The Wisconsin Office of Energy Independence (OEI) administers energy programs that assist Wisconsin businesses to profitably and sustainably promote energy efficiency and renewable energy resources. Several biomass to energy initiatives are emerging in Wisconsin—a state that has no oil, coal, natural gas or uranium. For the last two years, OEI and the Wisconsin Department of Administration (DOA) have been exploring ways to repower coal boilers with biomass. Together the agencies have identified 38 public and private coal, heating oil and propane boilers older than 35 years that are potential candidates for biomass fuel.

The U.S. Forest Service Wood Education & Resource Center (WERC) works with the forest products industry toward sustainable forest products production for the eastern hardwood forest region. Some of the most destructive forest fires in the U.S. have occurred in forest land surrounding the Great Lakes. One of WERC's objectives is to implement successful fuels reduction efforts by providing market opportunities for the materials removed during those efforts. Such material is often smaller in diameter than materials normally used by existing forest products industries but can be utilized as boiler fuel.

The goal of this new Wisconsin Bioenergy Grant program is to assist facilities (business, NGO or state and local government) in getting biomass energy projects built in Wisconsin within two years. The effort will be limited to identified Wisconsin counties with fuel reduction activities. (see map on page 5). Selected projects will receive a free feasibility analysis and possible cash awards for project implementation.

Note: There is no limit on eligibility based on fuels. All fossil fuel sources are eligible for this program including: propane, heating oil, natural gas or electricity.

Applications will be reviewed and selected in two phases: Six applicants will be selected for a free feasibility analysis. Based on the results of this feasibility analysis, up to three of these facilities will receive additional cash awards of up to \$200,000 for project construction.

The Wisconsin Bioenergy Grant Program is being administered by OEI, with funding from the United States Department of Agriculture State Fire Assistance — National Fire Plan Program and in partnership with WERC, the Wisconsin Department of Administration (DOA), Wisconsin Department of Natural Resources (WDNR), the Wisconsin Department of Agriculture, Trade and Consumer Protection and the Wisconsin Bioenergy Institute (WBI).

Goal:

- Encourage local jobs, local renewable resources and reduce reliance on imported fossil fuels;
- Implement successful fuels reduction efforts by creating new market opportunities for smaller diameter wood that can be utilized as boiler fuel;
- Identify and assist up to three Wisconsin facilities (business, NGO, state or local government) in getting a biomass energy system built within two years.

Available Funding

Approximately \$500,000 is available. A 50% cost share is required. Acceptable forms of cost-share include cash, personnel costs, value of services, in-kind contributions, indirect costs, other non-federal grants received, facilities and/or administrative costs.

Program Details

Selected candidates will receive the following:

- A Free Feasibility Analysis: components of the existing energy systems, wood supply study, required wood energy system components, methods of interconnection with the existing building(s) energy systems
- Preparation Assistance of draft final design and cost estimates for the owner and for contract preparation. (design will include air emissions controls and performance monitoring equipment that complies with local, state and federal laws)

Final project design, financing, construction initiation and completion is the responsibility of the system owner.

Application

You must submit a completed Application Form and a completed Prefeasibility Analysis Form (both attached).

Award

- Up to six projects will be selected for free feasibility analysis by February 28, 2011.
- Up to three of these six facilities will be selected for additional awards of up to \$200,000 on or before June 30, 2011.

Eligible Participants

Applicants must be a Wisconsin-based business, not-for-profit or state or local governmental organization. Applicants must be in compliance with all appropriate state and federal regulations.

Cost-Sharing

There is a 50% cost share requirement for this program. Participants will be asked to submit documentation detailing the total cost of the equipment installation. Acceptable forms of cost-share include cash, personnel costs, value of a services, in-kind contributions, indirect costs, or facilities and administrative costs. The following costs are excluded in accordance with the applicable federal cost principles: revenues or royalties from the prospective operation of an activity beyond the time considered in the award; proceeds from the prospective sale of an asset of an activity; other appropriated Federal

funds; or, costs or contributions counted toward satisfying the cost share requirement of another Federal grant/award.

Evaluation Criteria:

Applications will be evaluated and considered for awards according to the following criteria. The weight of each criterion is shown in the chart below.

Categories	Points	Percentage weight
Scope of project	20	20%
Technical & financial viability	20	20%
Estimated energy savings	20	20%
Qualification of project team	20	20%
Timetable	5	5%
Budget	5	5%
Geographic location	5	5%
Community support for bioenergy	5	5%
Total	100	100%

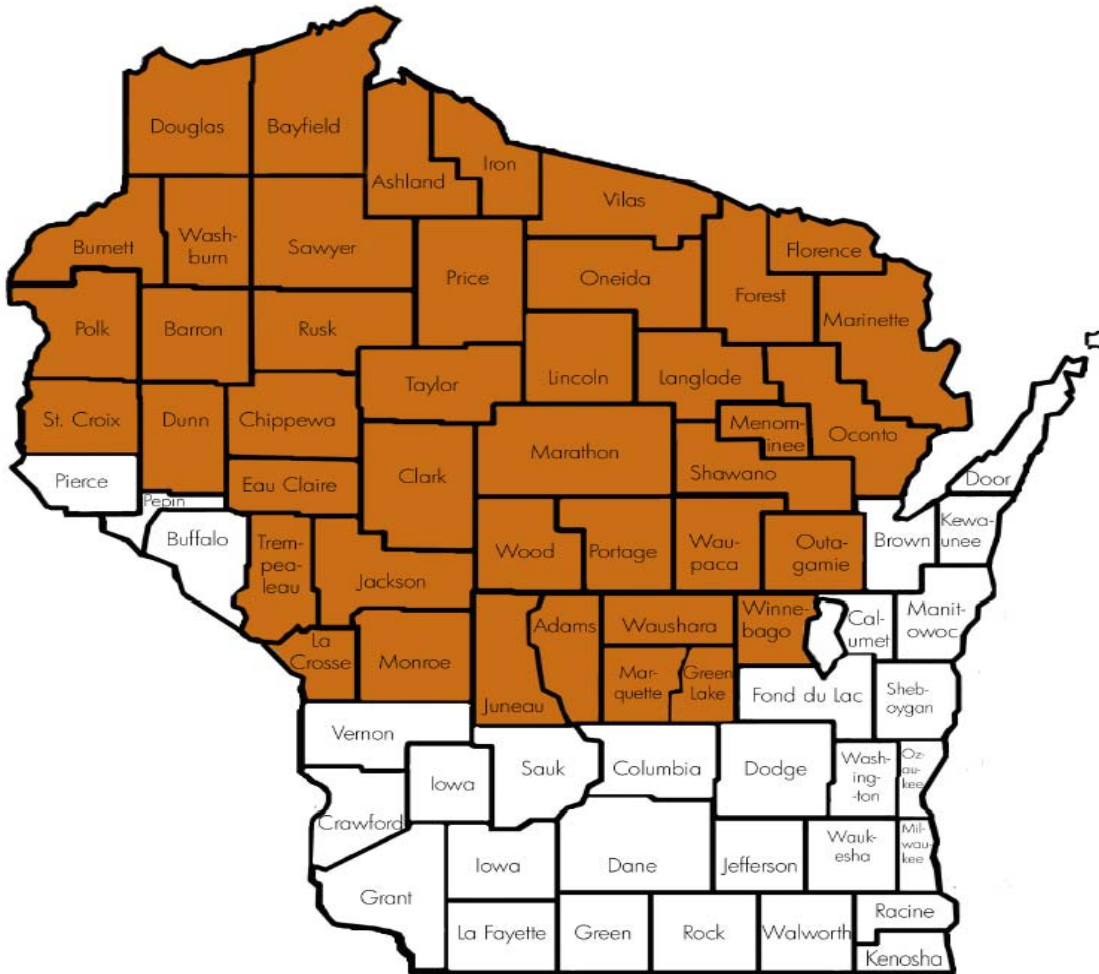
Contract Terms

Cash awards for up to \$200,000 will be made for up to three facilities. A contract between each facility and the OEI will cover facilities scope of work, timetable and budget. For award recipients, site approvals and preparation of contracts will take about one month. The contract will stipulate that the facility has until December 31, 2012 to complete the installation of a biomass energy system and provide a final report to OEI.

Payments to the facility will be on a reimbursement basis with a percentage of the grant award provided upon installation (that percentage will be an amount agreed upon between the recipient and OEI). Final payment will be issued upon receipt of a final report.

Fire Hazard Fuel Reduction Material Delivery Zone

■ Counties with Fuel Reduction Activities or Within a 50 Mile Radius of Fuel Reduction Activities



****Note: Proposed Bioenergy Projects must be located within the shaded area of map above.**

Application Submittal

Applications are due no later than January 31, 2011.

Please direct any questions and submit applications electronically or by mail to:

Amanda Mott/Grants Administrator
WI Office of Energy Independence
201 W. Washington Ave. 3rd Fl.
Madison, WI 53703
Amanda.mott@wisconsin.gov

		Application Date	
Facility Name:		Employer ID Number (W-9) :	
Primary Contact Name (First, Last):			
Primary Contact Title:			
Email Address:			
Street Address:			
City:	Zip:	County:	
Phone:		Within Fuel Reduction Zone (Yes/No) (see map attached)	
Project Budget Total: \$		Amount Requested: \$	
Technical Requirements			
Description of Project Scope:			
Name of Project Champion (s)			
List of Project Team Qualifications: Describe you and/or your company's experience and capabilities, list all personnel who will be working on the grant project activities and their experience as it relates to the proposed project. Resumes Accepted.			

Timetable of Project: (Projects must be completed by December 31, 2012.)	
Source of Fuel Currently: (<i>i.e.</i>, Propane, Heating Oil, Natural Gas or Electric)	
Support for biomass energy: Is there a community organization or an institutional policy that supports the use of biomass energy or its benefits? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, please list.	
Signature:	Date:



Wisconsin Bioenergy Grant Program 2011-2012 Pre-feasibility Analysis Form¹

Facility name and mailing address <input type="checkbox"/> Public or <input type="checkbox"/> Private	Size of heated space in square feet:	
	Year of construction:	
	Years of major renovation(s)	
	First renovation:	
	Second renovation:	
Contact person for questions regarding this form: Name:	Type of facility (check one) <input type="checkbox"/> School <input type="checkbox"/> College/University <input type="checkbox"/> Hospital <input type="checkbox"/> Prison <input type="checkbox"/> Other _____	No. of students or occupants
Title:		
Phone :		
Fax :		
E-mail address:		
Date form was completed:		
If the facility has multiple buildings, list each building below, give its size in square feet and state whether it is heated from a central boiler plant:		
Name of building	Size in square feet	Central boiler?
Ex. Franklin elementary school	25,000	yes
<p><i>An opportune time for adding a boiler is when a facility is undergoing an expansion or major renovation. Do you have any plans for expansion or major renovation in the foreseeable future? If so please describe below, including project timing.</i></p>		
Heating System: Do you have a central heating system? <input type="checkbox"/> Yes <input type="checkbox"/> No Do you have more than one heating system? <input type="checkbox"/> Yes <input type="checkbox"/> No		

¹ Form provided by USDA Forest Service – Wood Education and Resource Center.

How is heat delivered to rooms? (check all that are applicable) <input type="checkbox"/> Hot water <input type="checkbox"/> Steam <input type="checkbox"/> Ducted air <input type="checkbox"/> Electric resistance <input type="checkbox"/> One heating plant in one location? <input type="checkbox"/> Different heating plants in multiple locations? <input type="checkbox"/> Individual, room by room heating systems?		How is heat generated? <input type="checkbox"/> Hot water boiler <input type="checkbox"/> Steam boiler <input type="checkbox"/> Hot air furnace <input type="checkbox"/> Electric baseboard <input type="checkbox"/> Electric duct coils <input type="checkbox"/> Rooftop packaged units <input type="checkbox"/> Heat pumps
Heating equipment List each piece of heating equipment separately below. Include size in boiler horse power or BTU, state what fuel it uses, i.e. Natural Gas, #2 fuel oil, heavy oil, LPG, Coal, other, when it was installed and its condition (Poor, Fair, Good, Excellent).		
<i>Size</i>	<i>Type of Heater</i>	<i>Fuel Type, year installed, and condition</i>
Ex. 3.5 mmBtu or 200 hp	Hot water boiler	#2 fuel oil, installed in 1998, fair
If buried steam lines or hot water lines are used to connect multiple buildings to a central boiler plant, what condition are the lines? Circle one: Poor Fair Good Excellent		
Fuel Usage and Cost Summary Provide a summary of your annual fuel usage for space heating, domestic hot water, and process loads.		
<i>Fuel Type</i>	<i>Average Annual Usage, unit</i>	<i>Unit Cost</i>
Ex. #2 Fuel Oil	150,000 gallons	\$2.50/gallon
Is your domestic hot water heated from a central boiler? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Has your facility recently undergone an energy audit? <input type="checkbox"/> Yes <input type="checkbox"/> No If so when?		

Attachments

1. If the facility has multiple heating plants in separate locations, please provide a rough sketch on a separate page of the campus and locate each heating system on the sketch. Feel free to use a pre-printed campus map or building floor plan if one is available.
2. Please provide at least two full years of heating fuel records with volumes of fuel used for each heating plant. For example if some buildings are heated from a central boiler plant using natural gas and others have stand-alone fuel oil boilers, list each separately with volumes for each. If your domestic hot water is not provided by a central boiler, list each account separately and identify which fuel is used for which equipment.
3. Please provide at least two years of electric bills for all buildings on site.
4. Please provide a copy of your latest fuel bill and electric bill for all accounts on site.

Submit completed application form and prefeasibility analysis form by January 31, 2011 to:

Amanda Mott/Grants Administrator
 WI Office of Energy Independence
 201 W. Washington Ave., 3rd Fl.
 Madison, WI 53703
Amanda.mott@wisconsin.gov